

Tidelands Summary

October 19, 2011

(Core Presentation Material)

Agenda

- Introduction
- Governmental Fund Accounting
- State Tidelands Law & Mandates
- Tidelands Boundaries
- Sources and Uses of Tidelands Revenue
- Concluding Comments & Questions

Governmental Fund Accounting

- Governmental Accounting is different than private sector accounting.
- Governments have a special responsibility to demonstrate that we have complied with the restrictions on the use of the resources.
- Therefore, we make use of an array of individual funds, each with their own individual balance sheet and income statement.

Fund Examples

- Special Revenues Funds – Legally Restricted
 - Gas Tax Funds - State
 - Measure M Highway Funds - County
 - Community Development Block Grants - Federal
 - State Tidelands - State
- Capital Project Funds – Large Capital Improvement Projects
 - Civic Center Project
 - Oasis Sr. Center

Fund Examples

- Internal Service Funds – Centrally Managed Cost Centers
 - General Liability Claims
 - Equipment Fund
 - Information Technology
- Enterprise Funds – (Fee supported enterprises)
 - Water Utility Operation
 - Wastewater Utility Operation
- General Fund – Not Otherwise Restricted

Tidelands Law

- 1919 State adopts Chapter 494 of Statutes of 1919
 - State conveys title and interest of “that portion of tidelands and submerged lands within the present boundaries”
- 1927 State Adopts Chapter 70 Amendments
- 1929 Chapter 574 Amendments
- 1978 State adopts Chapter 74 Amendments
- 1994 CA Assembly Bill 3139 Amendments
- 1997 CA Senate Bill 573 Amendments
- Other Conveyances & Amendments

Compliance Terms Examples

SECTION 1

- The lands shall be used for purpose in which there is general statewide interest.
- City shall not grant, convey, give or alienate lands or lands to private purposes; except that the city may grant franchise for a period not exceeding 50 Years for wharves and other public uses
- The lands shall be improved without expense to the state...

Compliance Terms Examples

SECTION 1 (Continued)

- In the management, conduct, operation, and control of the lands or any improvements, betterments, or structures, the city or its successors shall make no discrimination in rates, tolls, or charges for any use or service in connection therewith.
- The state shall have the right to use without charge any transportation, landing, or storage improvements, betterments, or structures constructed upon the lands for any vessel or other watercraft or railroad owned or operated by the state.
- ETC

Compliance Terms Examples

SECTION 2

- The city shall establish a Tideland Operation and Maintenance Fund as one of the funds required. The money in the Tideland Operation and Maintenance Fund shall be used by the city for the operation and maintenance of the tide and submerged lands granted and any additional lands and assets that are made subject to the public trust in furtherance of the purposes of the trust created by this act.
- The city shall establish an Upper Newport Bay Restoration Fund as one of the funds required. The Upper Newport Bay Restoration Fund shall be used by the city for Upper Newport Bay environmental restoration and improvement on tide and submerged lands located in Upper Newport Bay
- ETC

Tidelands boundaries are complex

- 1919 Boundary
- Ocean Shore Line
- Ordinary High Tide Line
- Findley Meander Line
- County Tidelands
- Federal Tidelands

Tidelands generally include

- Tidelands & Submerged Lands in Newport Bay
- Filled Tidelands
- Tidelands, Submerged Lands & Filled Lands bordering upon, in and under the Pacific Ocean
- Trust Additions Subsequent to 1919 conveyance



Tidelands Maps - Disclaimer

The City makes every effort to produce and publish the most current and accurate tidelands' boundary information possible, however, the actual tidelands' boundaries may vary from those depicted in the following Tidelands Maps.

Tidelands Survey
Newport Harbor
City of Newport Beach

Boundaries

- 1919 Boundary (Statutes of 1919, pg 1133)
- 1919 Conflicting Boundary (Per Patterson Map - July 9, 1968)
- 1919 Conflicting Boundary (Per Annexation Documents / SCC 59376)
- Ocean Shore Line (Per Record Maps)
- Ordinary High Tide Line
- Ordinary High Tide Line (1958)
- County Tideland Boundary
- Finley Meander Line (1889)
- Wildlife Preserve Boundary
- Bulkhead (1950 USACE Harbor Survey)
- Pierhead (1950 USACE Harbor Survey)

Managing Agency

City of Newport Beach

- Tidelands & Submerged Lands in Newport Bay (Statutes of 1919, Ch 494 pg 1011 & Statutes of 1927, Ch 70 pg 125)
- Tidelands, Submerged Lands & Filled Lands bordering upon, in and under the Pacific Ocean (Statutes of 1929, Ch 813 pg 1704)
- Filled Tidelands
- Fee Title to Upland Property
- Waterways Dedicated or Reserved for same
- 1998 Trust Additions (SB 573, 1997)

County of Orange

- Tidelands & Submerged Lands in Newport Bay
- Filled Tidelands
- Fee Title to Upland Property

State of California

- State Park Beaches
- State Highways

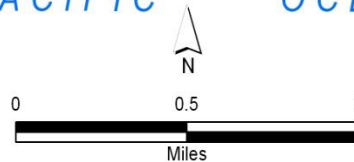
Federally Owned

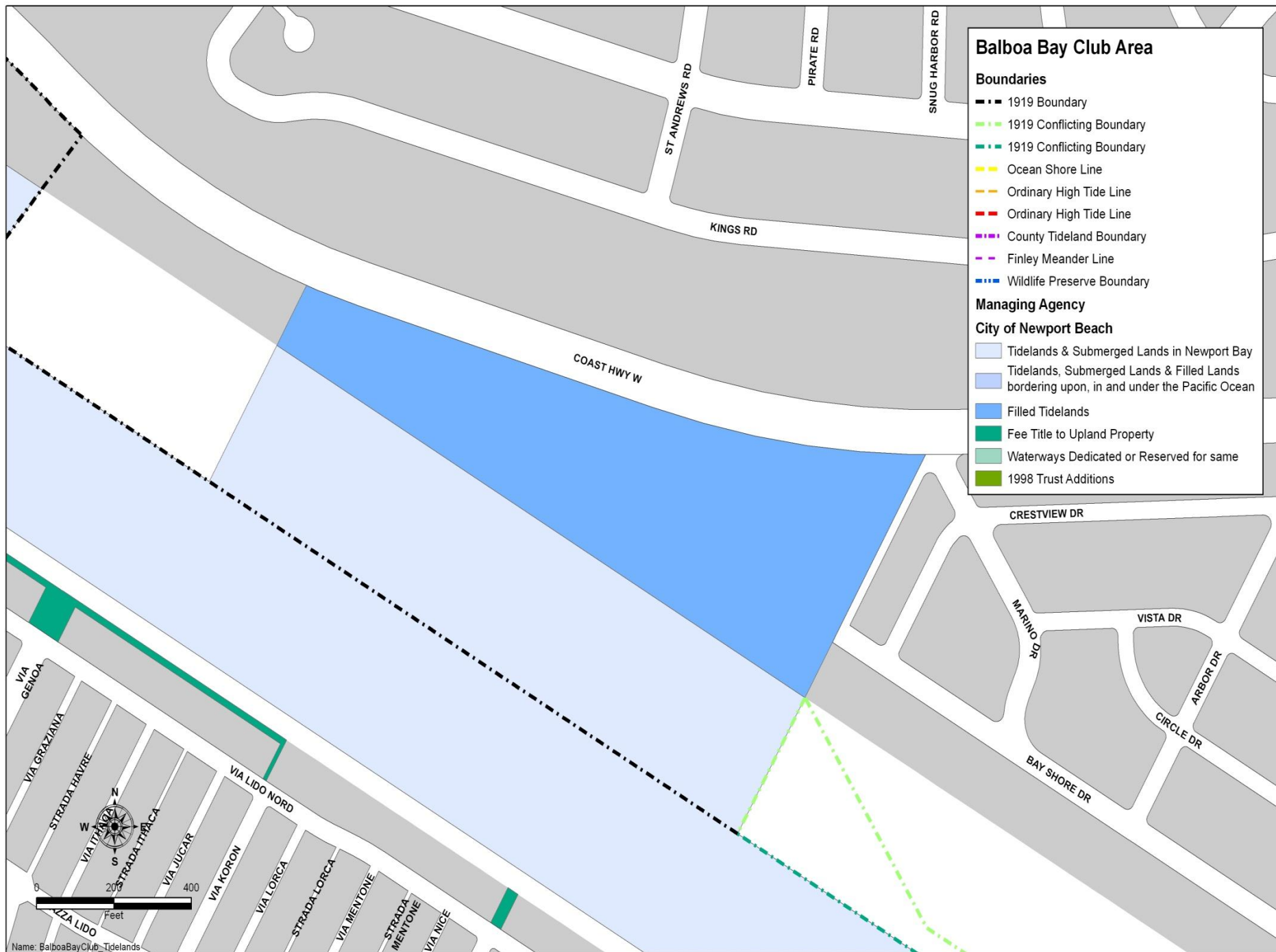
- Property Conveyed by City to US Government

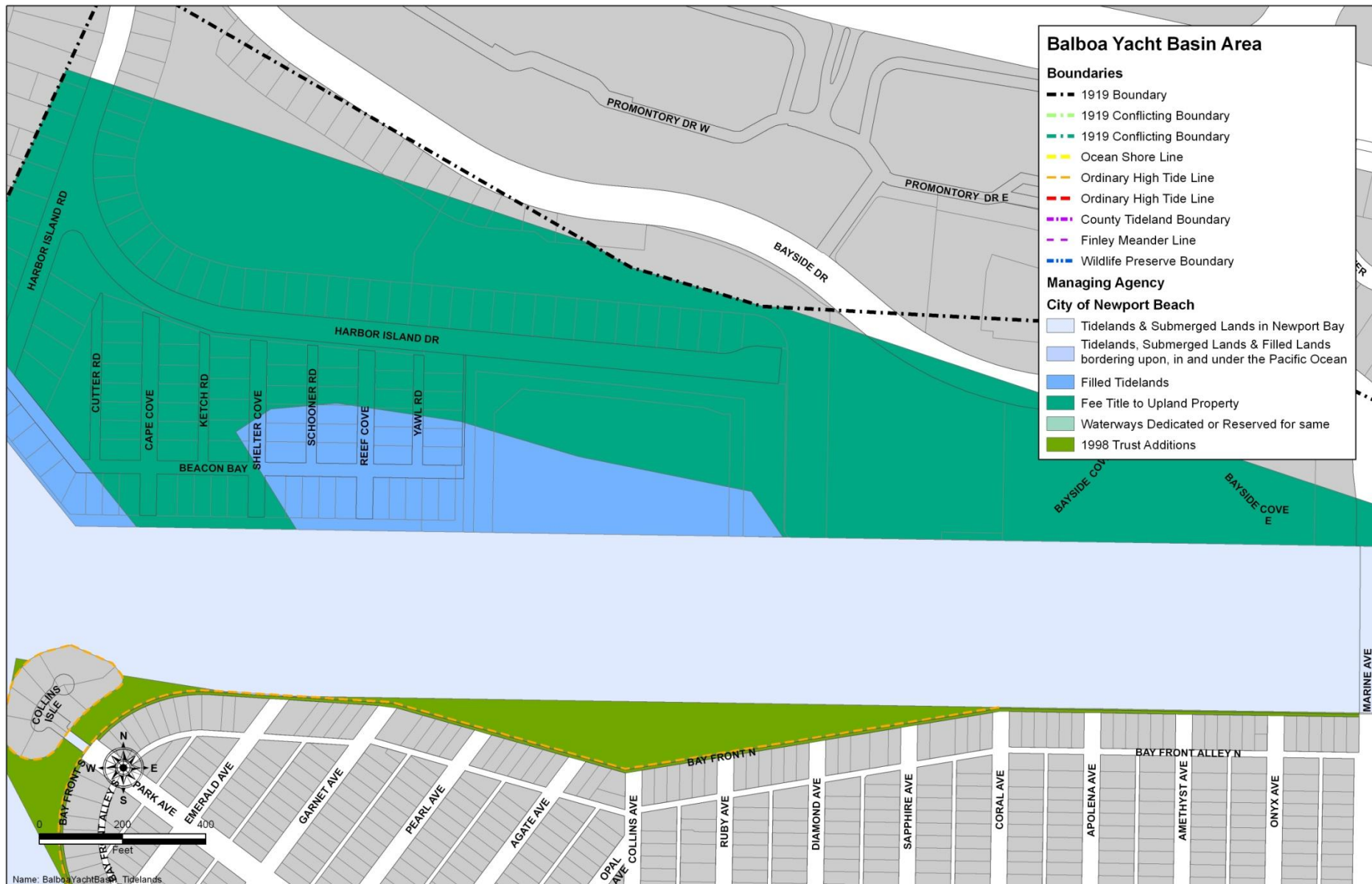
Conflicting Title/Designation

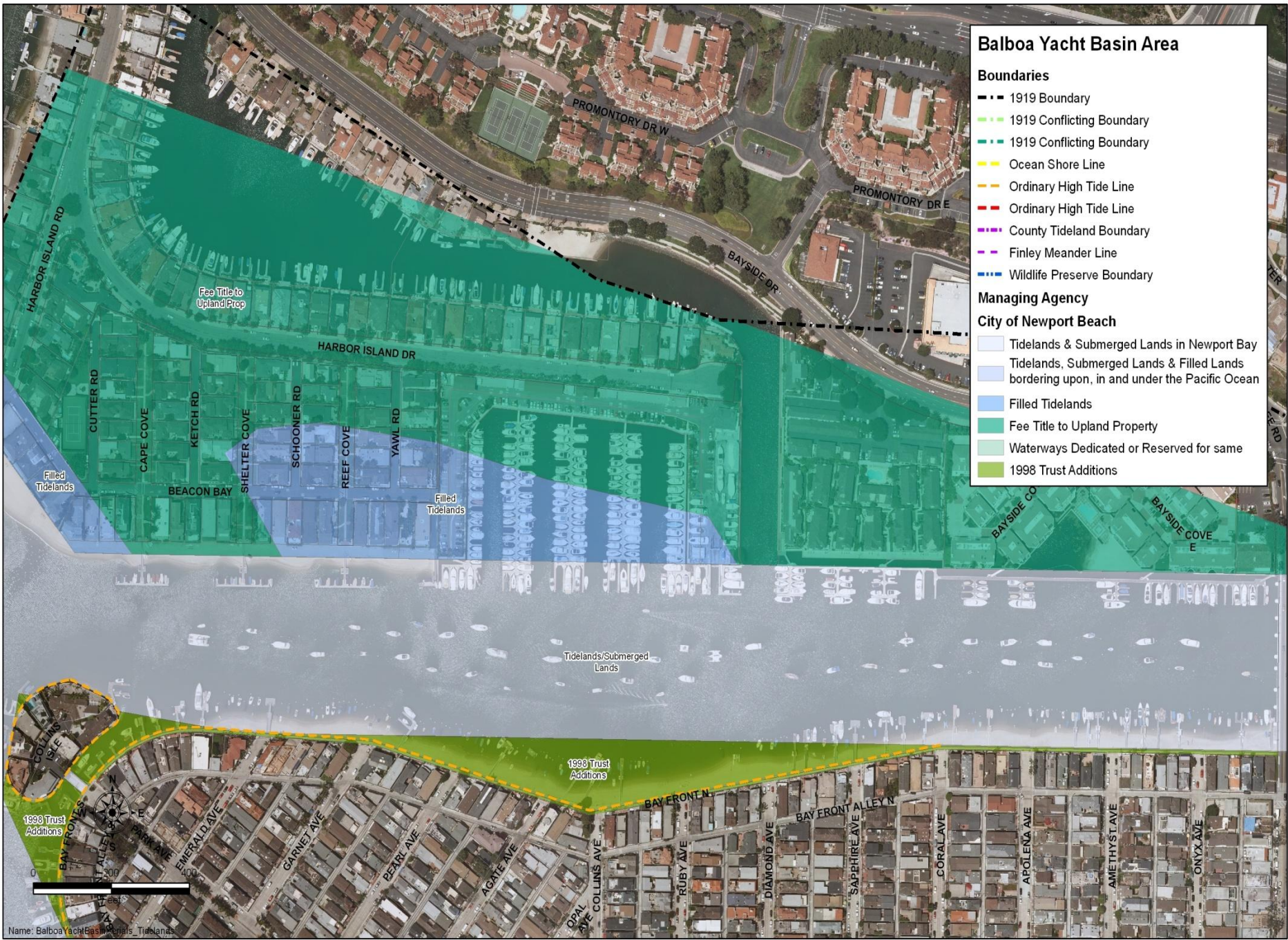
- (1) Tidelands in area of unclear 1919 Boundary definition
- (2) Harbor Island Tidelands
- (3) Bay Island Waterway

PACIFIC OCEAN









Balboa Yacht Basin Area

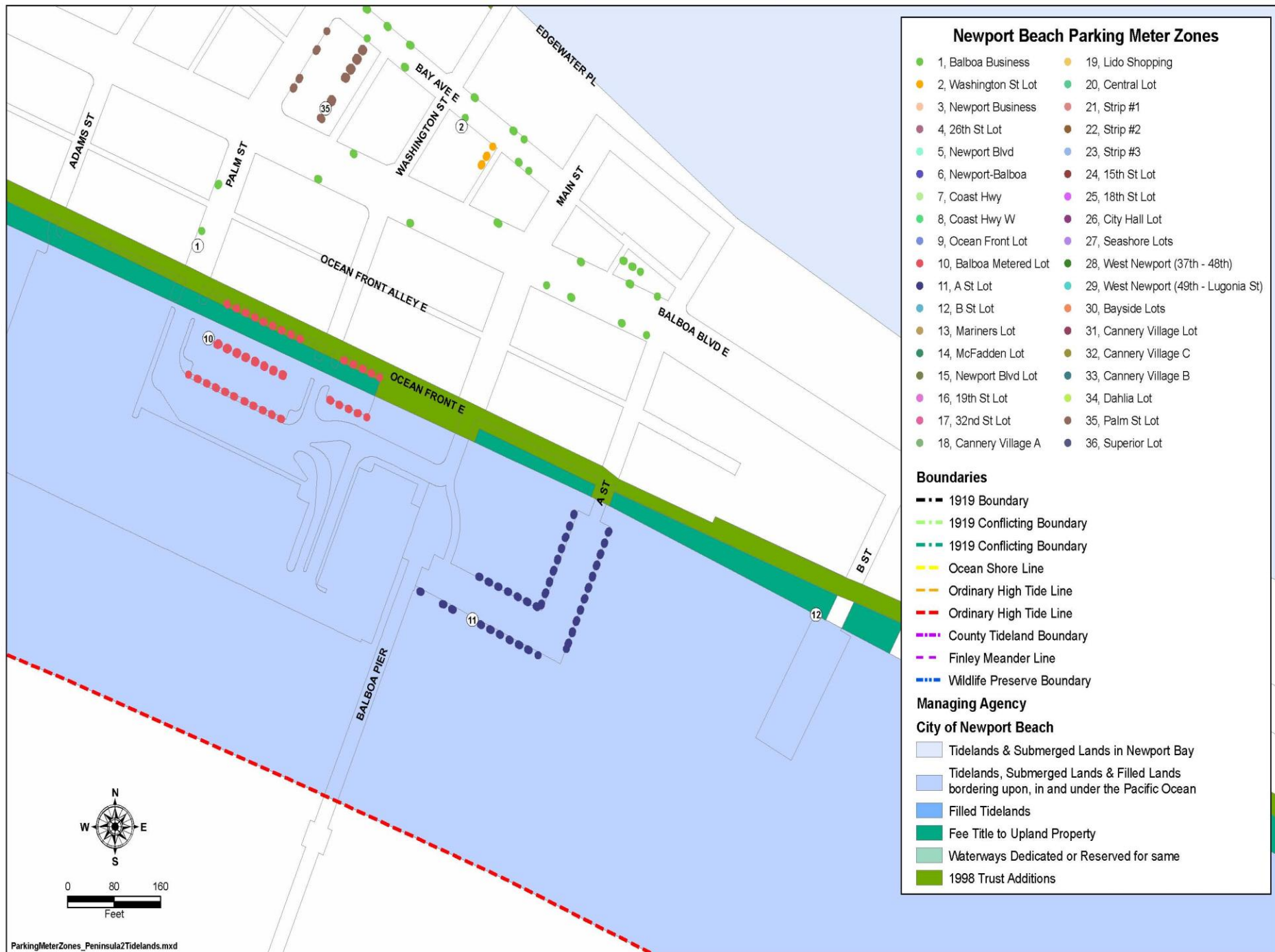
Boundaries

- 1919 Boundary
- 1919 Conflicting Boundary
- 1919 Conflicting Boundary
- Ocean Shore Line
- Ordinary High Tide Line
- Ordinary High Tide Line
- County Tideland Boundary
- Finley Meander Line
- Wildlife Preserve Boundary

Managing Agency

City of Newport Beach

- Tidelands & Submerged Lands in Newport Bay
- Tidelands, Submerged Lands & Filled Lands bordering upon, in and under the Pacific Ocean
- Filled Tidelands
- Fee Title to Upland Property
- Waterways Dedicated or Reserved for same
- 1998 Trust Additions



Tidelands Revenues

			2009-10		2010-11
		License, Permits, & Fees			
		LIVE ABOARD PERMITS	\$ 4,082		\$ 2,999
		PIER PERMIT REG FEES	548,569		556,206
		MOORING FEES	692,717		896,708
		PIER PERMITS	27,035		29,462
		INVESTIGATIVE FEES	62,919		111,833
		Leases & Franchises			
		AMERICAN LEGION	117,196		125,450
		BEACON BAY	812,646		819,817
		TELESCOPE FRANCHISE	1,539		1,221
		BALBOA YACHT BASIN - SLIPS	653,171		679,146
		BASIN MARINE SHIPYARD	60,141		62,342
		GARAGES	35,344		40,034
		ELECTRICITY	17,372		17,535
		HERITAGE YACHT BROKERAGE	7,831		7,831
		GALLEY CAFÉ	18,583		17,573
		APARTMENTS	30,456		30,456
		LIDO ISLE COMM ASSOC	42,125		41,141
		ORANGE COUNTY DOC LEASE	60,814		61,918
		BALBOA BAY CLUB	2,899,475		2,439,317
		BALBOA ISLAND FERRY	84,401		80,635
		BALBOA PIER CONCESSION	100,226		125,764
		NEWPORT PIER CONCESSION	38,640		38,340
		HARBOR BAIT BARGE	5,192		5,409

Tidelands Revenues (Continued)

	Parking Meters & Lots			
	OCEAN FRONT	480,386		591,019
	BALBOA METERED LOT	118,805		139,771
	A STREET PARKING LOT	81,234		95,429
	B STREET PARKING LOT	30,921		39,460
	BALBOA PARKING LOT	1,028,013		1,083,898
	Other			
	SALE OF OIL	1,828,670		2,280,849
	INVESTMENT INCOME	76,793		80,967
	MISC.	10,892		(25,688)
	INCOME BEFORE SUBSIDY	9,976,185		10,476,844



Revenues Not Included

Sales Taxes Generated by Harbor Community or Beach-going Public

Positive Influence on Property Taxes

Possessory Interest on Tidelands Leases

Property Tax in Lieu of Vehicle License Fees

Recreation Fees On Beaches

Tidelands Expenditures					
			2009-10		2010-11
Direct Tidelands Exp.					
	Department Expenditures				
		Harbor Resources	1,375,717		1,446,925
		Parking Operations	431,000		-
		Oil & Gas Utilities	711,311		675,403
	Debt Service				
		BYB Marina Loan	237,062		237,062
	Capital Improvement Projects		1,197,037		1,269,870
		TOTAL DIRECT EXPENDITURES	3,952,127		3,629,260
General Fund Allocation					
		Fire Department	12,677,197		15,598,908
		Municipal Operations	2,715,752		2,760,948
		Police Department	7,976,996		2,667,131
		Public Works	568,860		255,200
		General Gov Admin	421,546		475,547
		TOTAL GEN FUND COST ALLOC.	24,360,351		21,757,734
		TOTAL EXPENDITURES	28,312,478		25,386,994
		INCOME (LOSS) BEFORE SUBSIDY	(18,336,293)		(14,910,150)



Concluding Remarks

Questions & Comments